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NATIONAL PROVIDER IDENTIFIER (NPI)

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MISSOURI MEDICAID NATIONAL PROVIDER IDENTIFIER (NPI) TRANSITION PROJECT

This provider bulletin contains general information on the NPI Final Rule and the process for obtaining an NPI number. Missouri Medicaid will not be involved in the transfer of provider information to the Centers for Medicare and Medicaid Services (CMS) for the assignment of NPI numbers. Providers will therefore need to apply for and receive NPI numbers through CMS.

Missouri Medicaid is taking the initial steps to accommodate the use of the NPI on provider enrollment records and on all health care claim transactions. The Missouri Medicaid NPI transition project will be implemented in several phases during the upcoming months. The next NPI bulletin will contain detailed information for providers affected by the first phase of the NPI transition project. In addition, providers affected by the transition project will receive written notification of the changes.

All providers should monitor the Division of Medical Services' website at www.dss.mo.gov/dms for future NPI transition project information.

NATIONAL PROVIDER IDENTIFIER (NPI) FINAL RULE

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated that the Secretary of Health and Human Services (HHS) adopt a standard unique health identifier for health care providers. On January 23, 2004, HHS published the Final Rule that adopted the National Provider Identifier (NPI) as the standard unique health identifier for health care providers. The effective date of the rule was May 23, 2005.

The NPI compliance date for all covered entities is May 23, 2007, except small health plans who do not need to comply until May 23, 2008. When the NPI is implemented, covered entities will use only the NPI to identify health care providers in all standard transactions. Legacy identification numbers (e.g., Medicare or Medicaid Number) will not be permitted. Health care providers will no longer have to keep track of multiple numbers to identify themselves in standard transactions with one or more health plans. However, the Taxpayer Identifying Number may need to be reported for tax purposes as required by the implementation specifications.

All health care providers, as defined in 45 Code of Federal Regulations (CFR) 160.103, are eligible for NPIs. A health care provider includes any person or organization that furnishes, bills or is paid for health care in the normal course of business. All health care providers who meet this definition regardless of whether they conduct transactions electronically or on paper or conduct any covered transactions are eligible to apply for health care provider identifiers. Health care providers who transmit any health information in electronic form in connection with a standard transaction are covered entities and are required to obtain and use NPIs. However, entities that do not provide health care (e.g., transportation services) are not eligible to be assigned NPIs because they do not meet the definition of "health care provider" in 45 CFR 160.103 and are not subject to HIPAA regulations.

NPI ENUMERATOR AND APPLICATION PROCESS

The Centers for Medicare & Medicaid Services (CMS) has selected Fox Systems, Inc. as the contractor, called the Enumerator, to perform the support operations for the NPI project. Fox Systems, Inc. will:

- process NPI applications and updates from health care providers;
- ensure the uniqueness of the health care provider; and
- operate a help desk to assist health care providers in obtaining their NPIs.

Upon successful completion of an application form, the Enumerator will assign health care providers a unique NPI. The form can be submitted on paper or over the Internet. Once a health care provider has been assigned an NPI, it must furnish updates to its data within 30 days of any changes.

Health care providers may apply for an NPI in one of three ways:

- Health care providers may apply through an easy web-based application process, effective May 23, 2005. The web address is <https://nppes.cms.hhs.gov>.

- Health care providers may prepare a paper application and send it to the Enumerator, effective July 1, 2005. A copy of the application, including the Enumerator's mailing address, is available on <https://nppes.cms.hhs.gov>. Providers may also call the Enumerator for a copy. The telephone number is 1-800-465-3203 or TTY 1-800-692-2326.
- With the provider's permission, an organization may submit an application in an electronic file. This could mean that a professional association or perhaps a health care provider who is the provider's employer could submit an electronic file containing the provider's information and the information of other health care providers. This process will be available in the fall of 2005.

If all information is complete and accurate, the Web-based process could result in the provider being issued an NPI within minutes. If there are problems with the information received, it could take longer. The paper application processing time is more difficult to estimate, depending on the information supplied in the application, the workload, and other factors.

Health care providers may apply for an NPI using only one of the ways described above. When gathering information for the NPI application, it is important that all of the information, such as the social security number and Federal employer identification number, is correct. Once the provider receives the NPI, safeguard its use. The application form contains a Privacy Act Statement, which explains how the Enumerator may disseminate the information collected in the application. Providers may receive notices about the NPI form from many of the health plans with which they do business. **A provider will only have to apply for and acquire one NPI.**

NPI ENTITY TYPES AND SUBPARTS

Two categories of health care providers are defined for enumeration purposes. A data element, the "Entity type code", in the NPS record for each health care provider will indicate the appropriate category. NPIs with an "Entity type code" of 1 will be issued to health care providers who are individual providers (e.g., physicians, dentists, nurses). NPIs with an "Entity type code" of 2 will be issued to health care providers other than individual providers, that is, organizations (e.g., hospitals, home health agencies, clinics).

In certain situations, it is possible for "subparts" of organizations (such as hospitals) to be assigned NPIs. These subparts may need to be assigned NPIs in order to conduct standard transactions on their own behalf or to meet Federal regulatory requirements related to their participation in health plans such as Medicare. The Final Rule requires covered health care providers to determine if they have subparts that may need NPIs and, if so, to obtain NPIs for the subparts or require the subparts to obtain their own NPIs. **The subpart concept does not pertain to health care providers who are individuals. Individual providers will only be assigned one NPI.**

NPI FORMAT

The NPI is a numeric 10-digit identifier, consisting of 9 numbers plus a check-digit in the 10th position. It is accommodated in all standard transactions, and contains no embedded information about the health care provider that it identifies. The assigned NPI does not expire; and at the current rate of health care provider growth, can continue to be assigned for 200 years.

NONHEALTH CARE OR ATYPICAL SERVICES

There are individuals and organizations that furnish atypical or nontraditional services that are indirectly health care-related, such as taxis, home and vehicle modifications, habilitation, adult day care services, and respite services. These types of services do not qualify as health care services because the services do not fall within the definition of health care as cited in 45 CFR 160.103. An individual or organization must determine if it provides any services that fall within the federal definition of health care. If it does not, and does not provide other services or supplies that bring it within the definition of a health care provider, it would not be a health care provider under HIPAA, and would not be eligible to receive an NPI.

The non-health care services of some atypical or nontraditional service providers are reimbursed by health plans. However, there is no requirement under HIPAA to use the standard transactions when submitting electronic claims for these types of services because claims for these services are not claims for health care. Health plans, however, are free to establish their own requirements for submitting claims in these circumstances. A health plan could require atypical and nontraditional service providers to submit standard transactions. However, the health plans could not require these entities to obtain NPIs to use in those transactions because those entities are not eligible to receive NPIs.

There are other individuals and organizations that in the normal course of business bill or receive payment for health care that is furnished by health care providers. These individuals and organizations may include billing services or clearinghouses that act as agents of the health care providers in performing the billing function or translating data. These entities are not considered health care providers and would not be eligible for NPIs.

NPI IMPLEMENTATION SPECIFICATIONS

Per the Final Rule, health care providers are subject to the following NPI implementation specifications:

- A health care provider who is a covered entity must obtain, by application if necessary, an NPI from the Enumerator and must use the NPI it obtained to identify itself on all standard transactions where its provider identifier is required. A covered health care provider must ensure that its subpart(s), if assigned an NPI(s), does the same.
- A covered health care provider must disclose its NPI, when requested, to any entity that needs the NPI to identify that health care provider in a standard

transaction. A covered health care provider must ensure that its subpart(s), if assigned an NPI(s), does the same.

- A covered health care provider that has been assigned an NPI must notify the Enumerator of any changes in its required data within 30 days of the change. A covered health care provider must ensure that its subpart(s), if assigned an NPI(s), does the same.
- A covered health care provider that uses one or more business associates to conduct standard transactions on its behalf must require its business associates to use its NPI and other NPIs appropriately on standard transactions that the business associates conducts on its behalf. A covered health care provider must ensure that its subpart(s), if assigned an NPI(s), and if the subpart(s) uses one or more business associates to conduct standard transactions, does the same.

Per the Final Rule, health plans are subject to the following NPIs implementation specifications:

- A health plan must use the NPI of any health care provider or subpart in any standard transaction that requires the standard unique health identifier for health care providers.
- A health plan may not require a health care provider that has been assigned an NPI to obtain an additional NPI.

TRANSITION TO NPI

The transition from existing health care provider identifiers to NPIs in standard transactions will occur over the next few years. CMS urges health care providers to apply for an NPI now. While the NPI must be used on standard transactions with health plans no later than May 23, 2007, health care providers should not begin using the NPI in standard transactions on or before the compliance dates until health plans have issued specific instructions on accepting the NPI. Health plans will notify providers when to begin using NPIs in standard transactions. Providers should be aware that health plans might request use of the NPI prior to the compliance dates. Applying for an NPI does not replace any enrollment or credentialing processes with any health plan.

Providers may obtain information about NPI at www.cms.hhs.gov/hipaa/hipaa2. This site contains Frequently Asked Questions and other information related to the NPI and other HIPAA standards.

Provider Bulletins are available on the DMS Website at <http://www.dss.mo.gov/dms/pages/bulletins.htm>. Bulletins will remain on the Published Bulletin site only until incorporated into the [provider manuals](#) as appropriate, then moved to the Archived Bulletin site.

Missouri Medicaid News: Providers and other interested parties are urged to go to the DMS Website at <http://dss.missouri.gov/dms/subscribe/MedNewsSubscribe.htm> to subscribe to the list serve to receive automatic notifications of provider bulletins, provider manual updates, and other official Missouri Medicaid communications via e-mail.

MC+ Managed Care: The information contained in this bulletin applies to coverage for:

- MC+ Fee-for-Service
- Medicaid Fee-for-Service
- Services not included in MC+ Managed Care

Questions regarding MC+ Managed Care benefits should be directed to the patient's MC+ Managed Care health plan. Before delivering a service, please check the patient's eligibility status by swiping the red MC+ card or by calling the Interactive Voice Response (IVR) System at 573-635-8908 and using Option One.

Provider Communications Hotline
573-751-2896